

**DURHAM, NORTH CAROLINA
TUESDAY, JANUARY 20, 2004
5:30 P.M.**

Pursuant to the proper notification, the Durham City Council held a special meeting on the above date and time in the Committee Room at City Hall with the following members present: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Brown, Catotti and Clement. Absent: Council Member Best. Excused Absence: Council Member Stith.

Also present: City Manager Marcia Conner and City Clerk D. Ann Gray.

Mayor Bell called the meeting to order.

Julie Brenman, Budget Director, made comments on the upcoming City Council Retreat January 29-30, 2004 noting the retreat will be facilitated by John Ott on January 30th. Also she provided information regarding two-thirds bonds as follows:

1. The City is eligible to issue bonded debt based on the “two-thirds rule”.
 - The amount restriction limits the total issuance to two-thirds of the net reduction in general obligation bond principal for the previous fiscal year.
 - The City’s reduction in principal for FY2003 was \$15,205,000 (net of refunding), two thirds of which is approximately \$10,000,000 (assume \$200,000 of this amount will be used for cost of issuance).
 - Two-thirds bonds cannot be issued for the following purposes:
Auditoriums, coliseums, stadiums, convention centers and like facilities;
Art galleries, museums and historic properties;
Urban redevelopment, public transportation and cable television.
 - Projects must be part of an approved capital improvement plan.
2. Two-thirds bonds must be issued by June 30, 2004. The administration is on track to submit proposal for consideration at the February 5, 2004 Work Session.

The administration also informed the Council of a process for developing a Citizen’s Capital Improvement Committee, The Durham Improvement Panel. We aim to ensure public involvement in the decision making of CIP expenditures, where the Panel will be expected to relay the input from the community to the internal CIP Advisory Committee and back to the community the outcome and status of various projects and proposals. It is hoped that this involvement will build integrity and credibility with the community while educating the community to various challenges of project management. The administration plans to have a large panel with persons representing various segments of the community as follows:

Housing	2
Arts	1
Businesses (Banks, Chamber, etc)	4
Downtown	1
Universities/Colleges	3
Durham Public School System	1
El Centro	3
Neighborhood Associations, CAN	5
PAC Districts	5
Total	25

The administration is seeking assistance from the City Council in identifying members of the community [no later than January 30, 2004] that would be willing to serve in this capacity.

SUBJECT: CITY MANAGER'S MONTHLY EVALUATION

MOTION by Council Member Clement seconded by Mayor Pro Tempore Cole-McFadden to go into closed session to discuss the manager's monthly evaluation was approved at 6:05 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Brown, Catotti and Clement. Absent: Council Member Best. Excused Absence: Council Member Stith.

D. Ann Gray, CMC
City Clerk